



FOR IMMEDIATE RELEASE
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U.K. COUPLE FACE EXTRADITION ON CHARGES THEY SUPPLIED CHEMICALS TO U.S. METH LABS OVER THE INTERNET

PHOENIX -- Authorities in the United Kingdom have arrested a Scottish couple on charges detailed in an indictment handed down by a grand jury in Arizona alleging that the two illegally supplied chemicals to methamphetamine labs in Arizona and throughout the United States.

Brian Howes, 43, and Kerry Ann Shanks, 28, both of West Lothian, Scotland, were taken into custody today by the Central Scotland Police following a far-reaching international investigation led by multiple federal and local law enforcement agencies.

The arrests came after a federal grand jury in Phoenix returned a sealed 82-count indictment against Howes and Shanks on September 27, 2006. Howes and Shanks are in the custody of the police in the United Kingdom and are awaiting extradition to the United States.

A total of 100 clandestine methamphetamine laboratories have been dismantled as a result of this investigation, including 20 in Arizona. The most recent lab seizure was January 8 in Phoenix, where various chemicals were found including iodine crystals and red phosphorous in original containers ordered from www.KNO3.com. Iodine crystals and red phosphorous are essential chemicals used in the conversion of pseudoephedrine into methamphetamine. Two individuals were arrested, one of whom was employed as a vocational teacher at the Arizona Department of Juvenile Corrections. Numerous meth labs have been taken down in Texas, New York, and North Carolina, as well as in several foreign countries.

U.S. Attorney for the District of Arizona Paul K. Charlton, stated, "Internet criminals rely on the world wide web to provide them with a borderless weapon and anonymous shield. Here, traffickers had set up a virtual one-stop shop to provide an international supply of the chemicals that make methamphetamine. Today we demonstrate how law enforcement authorities around the world can work across borders to identify and dismantle operations like this."

As far back as 2004, Howes and Shanks ran an Internet business suspected of supplying a global network of meth labs in the United States, Europe, Australia, New Zealand, and other countries. The couple's website, www.KNO3.com, came to the attention of law enforcement authorities here after investigators in Arizona uncovered numerous clandestine methamphetamine laboratories here that had purchased their chemicals through KNO3.

A multi-agency investigation ensued, involving the DEA, ICE, the Maricopa County High

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Intensity Drug Trafficking Area (HIDTA) Task Force under the supervision of the Maricopa County Sheriff's Office, the Phoenix Police Department, and the United States Postal Inspection Service. U.S. authorities coordinated their investigation closely with the U.S. Embassy's DEA London Country Office, the Metropolitan Police in London (Scotland Yard); the Cleveland Police in Middlesbrough, England; the Central Scotland Police; and the Serious Organized Crime Agency (SOCA).

"More than eight hundred pounds of chemicals found their way to the U.S. because of Howes and Shanks," said DEA Special Agent in Charge Timothy J. Landrum. "This operation has ruptured their cyber pipeline. Today they face the consequences of their criminal activity: extradition to the United States to face criminal prosecution. DEA stands firmly with our local and international partners to investigate cyber criminals whose reach extends beyond international boundaries to communities throughout the United States."

The indictment alleges that Howes and Shanks sold chemicals through their website, including red phosphorus and iodine, that are used to manufacture methamphetamine. The couple started the business in England, but moved it to Scotland after being raided by British authorities. The couple's website, which advertised "discreet" delivery to customers around the world, received numerous emails from customers indicating they were unlawfully using the chemicals purchased from the website.

"ICE's expertise in rooting out Internet crime played a central role in breaking this case," said Alonzo Peña, Special Agent in Charge of the ICE office of investigations in Arizona. "We will continue to work closely with our law enforcement partners here and overseas to stem the spread of methamphetamine, a horrible drug that destroys lives and devastates entire communities."

On one of the company's computers, investigators found a recipe for methamphetamine, as well as an email from law enforcement authorities in California telling the defendants the chemicals were being used in methamphetamine laboratories.

Between August 2004 and November 2006, the website sold approximately 319,100 grams of red phosphorus and 45,950 grams of iodine to U.S. customers, enough to make over 1400 pounds of methamphetamine with a wholesale value of approximately \$12,600,000.

Maricopa County Sheriff Joe Arpaio, who in the past served as a top federal law enforcement official in numerous foreign countries, reiterates, "Cooperation is important and necessary for U.S. and foreign officials to reduce methamphetamine use and traffic, which at one time was mainly a U.S. problem but has now become international."

Phoenix Police Chief Jack Harris, stated, "Even though this was an investigation of international scope; the investigation had an important and direct impact on City of Phoenix neighborhoods. Due to the results of this investigation our neighborhoods are safer."

Inspector in Charge of the Los Angeles Division of the U.S. Postal Inspection Service, Oscar Villanueva, stated, "The U.S. Postal Inspection Service remains committed to protecting the American public from criminal attack through the use of the mail. As this case shows, the illegal sale of the ingredients to manufacture methamphetamine using the mail ultimately fuels the growth of addiction to this drug in the United States."

A conviction for unlawful importation and distribution of regulated chemicals like red phosphorus carries a maximum penalty of 20 years, a \$250,000 fine or both. In determining an actual sentence, Judge

Mary H. Murguia will consult the U.S. Sentencing Guidelines, which provide appropriate sentencing ranges. The judge, however, is not bound by those guidelines in determining a sentence.

An indictment is simply the method by which a person is charged with criminal activity and raises no inference of guilt. An individual is presumed innocent until competent evidence is presented to a jury that establishes guilt beyond a reasonable doubt.

The prosecution is being handled by Mary Beth Pfister, Assistant U.S. Attorney, District of Arizona, Phoenix.

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